

Designation Run Report

# Hartle, Nathan - Plaintiffs' Submission

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Hartle, Nathan 07-31-2018

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Plaintiff Affirmatives 01:03:31

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Defense Completeness Counters 00:03:16

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Total Time 01:06:46



## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
15:14 - 15:24	<b>Hartle, Nathan 07-31-2018 (00:00:17)</b> 15:14 Q. Please state your name. 15:15 A. My name is Nathan -- I go by 15:16 Nate -- John Hartle. 15:17 Q. And what is your occupation, 15:18 and who is your employer? 15:19 A. I'm currently a vice president 15:20 of regulatory affairs and compliance for 15:21 McKesson Corporation. 15:22 Q. How long have you been employed 15:23 by McKesson? 15:24 A. Since May of 2014.	P013.1
16:09 - 16:12	<b>Hartle, Nathan 07-31-2018 (00:00:11)</b> 16:9 Q. The first thing is, is are you 16:10 aware that today you'll be testifying not as 16:11 Nate Hartle but as McKesson Corporation? 16:12 A. I am.	P013.2
17:06 - 17:11	<b>Hartle, Nathan 07-31-2018 (00:00:11)</b> 17:6 (McKesson-Hartle Exhibit 2 17:7 marked for identification.) 17:8 QUESTIONS BY MR. FARRELL: 17:9 Q. There's a second notice. We'll 17:10 have that marked as Exhibit 2, and it's MCK 17:11 30(b)(6)_02.	P013.310
17:12 - 17:13	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b> 17:12 Have you had a chance to review 17:13 this document before today?	P013.309
17:14 - 17:24	<b>Hartle, Nathan 07-31-2018 (00:00:32)</b> 17:14 A. I have. 17:15 Q. Now, it's my understanding that 17:16 McKesson has designated you to testify on 17:17 certain subject matters within this document 17:18 but not all. 17:19 Is that your understanding? 17:20 A. Correct. 17:21 Q. And those numbers are numbers 17:22 9, 14, 16, 17, 18, 19, 20, 21 and 22. 17:23 Is that your understanding as 17:24 well?	P013.311
17:25 - 17:25	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.292

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
32:19 - 32:21	<p>17:25 A. Yes.</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:05)</b></p> <p>32:19 Is McKesson aware of the</p> <p>32:20 publishing of the Masters Pharmaceutical</p> <p>32:21 case?</p>	P013.3
32:23 - 33:03	<p><b>Hartle, Nathan 07-31-2018 (00:00:11)</b></p> <p>32:23 THE WITNESS: We are.</p> <p>32:24 QUESTIONS BY MR. FARRELL:</p> <p>32:25 Q. You're aware that in Masters</p> <p>33:1 Pharmaceutical there was a discussion of the</p> <p>33:2 reporting requirement?</p> <p>33:3 A. I am.</p>	P013.4
33:14 - 33:17	<p><b>Hartle, Nathan 07-31-2018 (00:00:14)</b></p> <p>33:14 We're not going to premark this</p> <p>33:15 because that will absolutely mess up my</p> <p>33:16 numbering system, but the top right-hand</p> <p>33:17 corner it's Bates stamped 2017_06_30.</p>	P013.5
33:18 - 33:22	<p><b>Hartle, Nathan 07-31-2018 (00:00:13)</b></p> <p>33:18 And I apologize for the</p> <p>33:19 flopping of the documents across the big</p> <p>33:20 table.</p> <p>33:21 This is Masters Pharmaceutical.</p> <p>33:22 Has McKesson read this document?</p>	P013.260
33:24 - 33:25	<p><b>Hartle, Nathan 07-31-2018 (00:00:05)</b></p> <p>33:24 THE WITNESS: I believe that</p> <p>33:25 several have read this document.</p>	P013.6
35:15 - 35:17	<p><b>Hartle, Nathan 07-31-2018 (00:00:07)</b></p> <p>35:15 Q. All right. Starting with "the</p> <p>35:16 reporting requirement is a relatively modest</p> <p>35:17 one," will you finish the sentence?</p>	P013.7
35:18 - 36:03	<p><b>Hartle, Nathan 07-31-2018 (00:00:29)</b></p> <p>35:18 A. I read that sentence.</p> <p>35:19 Q. Okay. Now, will you read it</p> <p>35:20 aloud?</p> <p>35:21 A. "It requires only that a</p> <p>35:22 distributor provide basic information about</p> <p>35:23 certain orders to DEA so that DEA</p> <p>35:24 investigators in the field can aggregate</p> <p>35:25 reports from every point along the legally</p> <p>36:1 regulated supply chain and use the</p>	P013.286

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
36:14 - 36:18	<p>36:2 information to ferret out potentially illegal 36:3 activity."</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:16)</b></p> <p>36:14 Does McKesson 36:15 acknowledge the reporting requirement, as you 36:16 just read aloud, is a duty owed by McKesson 36:17 under the federal regulations and United 36:18 States Code?</p>	P013.8
36:20 - 36:22	<p><b>Hartle, Nathan 07-31-2018 (00:00:04)</b></p> <p>36:20 THE WITNESS: And it's our 36:21 responsibility to report suspicious 36:22 orders.</p>	P013.9
36:24 - 37:02	<p><b>Hartle, Nathan 07-31-2018 (00:00:06)</b></p> <p>36:24 Q. So the answer to my question is 36:25 yes -- 37:1 A. Yes. 37:2 Q. -- no, or I don't know.</p>	P013.10
37:04 - 37:04	<p><b>Hartle, Nathan 07-31-2018 (00:00:01)</b></p> <p>37:4 THE WITNESS: It is our -- yes.</p>	P013.11
37:19 - 37:25	<p><b>Hartle, Nathan 07-31-2018 (00:00:13)</b></p> <p>37:19 Q. Now what we're 37:20 going to do is go to the beginning of that 37:21 sentence on the previous page, and it's the 37:22 last full sentence. It starts with "once a 37:23 distributor has." 37:24 Do you see that sentence? 37:25 A. I see that.</p>	P013.12
38:05 - 38:17	<p><b>Hartle, Nathan 07-31-2018 (00:00:41)</b></p> <p>38:5 Q. All right. Now, can you read 38:6 it aloud for the record? 38:7 A. "Once a distributor has 38:8 reported a suspicious order, it must make one 38:9 of two choices, decline to ship the order or 38:10 conduct some due diligence, and if it is able 38:11 to determine that the order is not likely to 38:12 be diverted into illegal channels, ship the 38:13 order." 38:14 Q. Does McKesson acknowledge that 38:15 the shipping requirement is a duty it owes 38:16 under the United States Code and the Code of</p>	P013.13

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
38:19 - 38:19	38:17 Federal Regulations? <b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.14
38:24 - 38:25	38:19 THE WITNESS: Yes. <b>Hartle, Nathan 07-31-2018 (00:00:07)</b>	P013.15
39:05 - 39:05	38:24 All right. The next document 38:25 we're going to reference is MCK 30(b)(6)_5. <b>Hartle, Nathan 07-31-2018 (00:00:00)</b>	P013.287
39:19 - 40:08	39:5 A. Okay. <b>Hartle, Nathan 07-31-2018 (00:00:41)</b>	P013.17
40:10 - 40:10	39:19 Q. So the first thing I want you 39:20 to take note of on Exhibit 5, page 1, is the 39:21 top left-hand corner, which is the great seal 39:22 of our United States Congress. 39:23 And if you look under the 39:24 United States Code, Title 21, for food and 39:25 drugs, under Chapter 13, Drug Abuse 40:1 Prevention and Control, Subchapter 1, Control 40:2 and Enforcement, Part A, Introductory 40:3 Provisions, this is the beginning of the 40:4 Controlled Substances Act. 40:5 McKesson is aware of and 40:6 acknowledges that its role in the chain of 40:7 distribution of opioids is governed by the 40:8 Controlled Substances Act, agreed? <b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.18
40:12 - 40:19	40:10 THE WITNESS: Yes. <b>Hartle, Nathan 07-31-2018 (00:00:21)</b>	P013.19
40:21 - 40:21	40:12 Q. Now, I'm going to have you look 40:13 down all the way at all those letters and 40:14 numbers at the very bottom, Public Law 40:15 91-513, Title 2. And the date there is 40:16 October 27, 1970. 40:17 McKesson is aware that the 40:18 Controlled Substances Act has been in force 40:19 and effect since 1970, correct? <b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.20
40:23 - 41:14	40:21 THE WITNESS: Correct. <b>Hartle, Nathan 07-31-2018 (00:00:37)</b>	P013.21
	40:23 Q. So Section 801, which is on the 40:24 first page, is Congressional findings and	

Page/Line	Source	ID
	40:25 declarations regarding controlled substances.	
	41:1 Do you see that?	
	41:2 A. I do.	
	41:3 Q. And it says, "The Congress	
	41:4 agrees makes the following findings and	
	41:5 declarations."	
	41:6 And to be fair, paragraph 1,	
	41:7 will you read it aloud?	
	41:8 A. "Many of the drugs included	
	41:9 within this subchapter have a useful and	
	41:10 legitimate medical purpose and are necessary	
	41:11 to maintain the health and general welfare of	
	41:12 the American people."	
	41:13 Q. Does McKesson acknowledge and	
	41:14 agree with that finding?	
41:16 - 41:16	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b>	P013.22
	41:16 THE WITNESS: Yes.	
41:18 - 42:03	<b>Hartle, Nathan 07-31-2018 (00:00:28)</b>	P013.23
	41:18 Q. Now, will you read Section 2	
	41:19 aloud, please?	
	41:20 A. "The illegal importation,	
	41:21 manufacture, distribution and possession and	
	41:22 improper use of controlled substances have	
	41:23 substantially and detrimentally effect --	
	41:24 have a substantial and detrimental effect on	
	41:25 the health and general welfare of the	
	42:1 American people."	
	42:2 Q. Does McKesson acknowledge and	
	42:3 agree with those findings?	
42:05 - 42:05	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.24
	42:5 THE WITNESS: Yes.	
42:24 - 43:12	<b>Hartle, Nathan 07-31-2018 (00:00:31)</b>	P013.25
	42:24 You agree with paragraph 2 --	
	42:25 A. Right.	
	43:1 Q. -- as McKesson's	
	43:2 representative, correct?	
	43:3 A. Correct.	
	43:4 Q. And what it says is that the	
	43:5 illegal, and one of the words is	
	43:6 distribution, of controlled substances has a	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	43:7 substantial and detrimental effect on the 43:8 health and general welfare of the American 43:9 people. 43:10 I'm asking you if McKesson 43:11 agrees and acknowledges with this finding by 43:12 Congress in 1970.	
43:14 - 43:17	<b>Hartle, Nathan 07-31-2018 (00:00:06)</b>	P013.26
	43:14 THE WITNESS: Yes, that the 43:15 illegal distribution can -- could 43:16 potentially have an impact on the 43:17 American --	
43:19 - 44:03	<b>Hartle, Nathan 07-31-2018 (00:00:18)</b>	P013.27
	43:19 Q. Well, it doesn't say 43:20 "potential" in paragraph 2, does it? 43:21 A. It doesn't. 43:22 Q. It says that if you break the 43:23 law, it has a substantial and detrimental 43:24 effect on the health and general welfare of 43:25 the American people. 44:1 A. That's what it says, correct. 44:2 Q. Does McKesson agree and 44:3 acknowledge that finding?	
44:05 - 44:05	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.28
	44:5 THE WITNESS: Yes.	
45:08 - 45:12	<b>Hartle, Nathan 07-31-2018 (00:00:13)</b>	P013.29
	45:8 Is McKesson aware that its 45:9 sales of hydrocodone combination products 45:10 rose following the reclassification of those 45:11 opioids from Schedule III to Schedule II? 45:12 A. Yes.	
45:13 - 46:01	<b>Hartle, Nathan 07-31-2018 (00:00:28)</b>	P013.30
	45:13 Q. So nonetheless, when we're 45:14 talking about these products, I'm referencing 45:15 Schedule II for today. 45:16 A. Understood. 45:17 Q. So the Schedule II has a 45:18 definition, does it not, under the United 45:19 States Code? 45:20 A. It does. 45:21 Q. There's three aspects to it.	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	45:22 Do you see those three aspects?	
	45:23 A. I do.	
	45:24 Q. Could you read aspect A?	
	45:25 A. "The drug or other substance	
	46:1 has a high potential for abuse."	
46:02 - 46:18	<b>Hartle, Nathan 07-31-2018 (00:00:49)</b>	P013.31
	46:2 Q. McKesson is aware since 1970	
	46:3 that it was engaging in business of	
	46:4 distributing Schedule II controlled	
	46:5 substances which have a high potential for	
	46:6 abuse, agreed?	
	46:7 A. Agreed.	
	46:8 Q. And you agree that the opioids,	
	46:9 whether they're Schedule II or formerly	
	46:10 Schedule III, are drugs that have a high	
	46:11 potential for abuse?	
	46:12 A. Agree.	
	46:13 Q. McKesson knows this?	
	46:14 A. We do.	
	46:15 Q. And McKesson has known this	
	46:16 from the very beginning of their decision to	
	46:17 distribute controlled substances?	
	46:18 A. Agreed.	
46:19 - 47:02	<b>Hartle, Nathan 07-31-2018 (00:00:21)</b>	P013.32
	46:19 Q. Would you read paragraph B,	
	46:20 please?	
	46:21 A. "The drug or other substance	
	46:22 has a currently accepted medical use and	
	46:23 treatment in the United States or a currently	
	46:24 accept medical use with severe restrictions."	
	46:25 Q. Does McKesson agree and	
	47:1 acknowledge with this statement from	
	47:2 Congress?	
47:04 - 47:04	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.33
	47:4 THE WITNESS: Yes.	
47:06 - 47:11	<b>Hartle, Nathan 07-31-2018 (00:00:16)</b>	P013.34
	47:6 Q. Now, read paragraph C, please.	
	47:7 A. "Abuse of a drug or other	
	47:8 substances may lead to severe psychological	
	47:9 or physical dependence."	



## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
47:10 - 47:13	47:10 Q. Does McKesson agree and 47:11 acknowledge this finding? <b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.35
47:15 - 47:22	47:13 THE WITNESS: Yes. <b>Hartle, Nathan 07-31-2018 (00:00:19)</b> 47:15 Q. So just to be clear, when we're 47:16 talking about controlled substances in this 47:17 litigation, we're talking about opiates and 47:18 opioids, agreed? 47:19 A. Agreed. 47:20 Q. And what these are, are these 47:21 are derivatives of opium in the form of a 47:22 pill, agreed?	P013.36
47:24 - 47:25	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b> 47:24 THE WITNESS: It's multiple 47:25 formulations but, yes.	P013.37
48:10 - 48:13	<b>Hartle, Nathan 07-31-2018 (00:00:10)</b> 48:10 McKesson distributes pills from 48:11 a manufacturer to pharmacies. That's what 48:12 they do, yes? 48:13 A. Correct.	P013.293
49:15 - 49:24	<b>Hartle, Nathan 07-31-2018 (00:00:20)</b> 49:15 Q. So when I say "opium pills," 49:16 what I'm talking about is the big 49:17 classification of all of these pills derived 49:18 from the poppy plant. 49:19 Is that fair? 49:20 A. Understood. 49:21 Q. All right. And when we talk 49:22 about any of the individual pills, whether 49:23 it's hydrocodone or oxycodone, those all fall 49:24 within the opium pill umbrella, right?	P013.38
50:01 - 50:07	<b>Hartle, Nathan 07-31-2018 (00:00:15)</b> 50:1 THE WITNESS: Yes. 50:2 QUESTIONS BY MR. FARRELL: 50:3 Q. So when McKesson is 50:4 distributing opium pills, it knows and 50:5 understands that these pills have a high 50:6 potential for abuse? 50:7 A. We do.	P013.39

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
50:08 - 50:11	<b>Hartle, Nathan 07-31-2018 (00:00:10)</b> 50:8 Q. Now, they also -- you also -- 50:9 McKesson understands that these pills do have 50:10 an accepted medical use in treatment, but 50:11 they have severe restrictions, agreed?	P013.294
50:13 - 50:14	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 50:13 THE WITNESS: We understand the 50:14 language, yes.	P013.295
50:19 - 50:21	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b> 50:19 Q. Opium pills have a place in 50:20 current medical practice? 50:21 A. Yes.	P013.296
51:04 - 51:09	<b>Hartle, Nathan 07-31-2018 (00:00:16)</b> 51:4 Q. And that's why the unlawful 51:5 distribution of these opium pills, relating 51:6 back to page 1, has a substantial and 51:7 detrimental effect on the health and general 51:8 welfare of the American people. 51:9 Does McKesson acknowledge that?	P013.41
51:11 - 51:11	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 51:11 THE WITNESS: Yes.	P013.42
52:12 - 52:20	<b>Hartle, Nathan 07-31-2018 (00:00:28)</b> 52:12 Q. Now let's flip to the next 52:13 page. This is the -- this is where we'll be 52:14 spending most of our time today. This is 52:15 page 4, Section 823. 52:16 This is from the United States 52:17 Code, and it includes, as you'll see down in 52:18 paragraph 1, what Congress has said is 52:19 McKesson's duty. I'd like you to first read 52:20 that to yourself.	P013.43
52:21 - 52:25	<b>Hartle, Nathan 07-31-2018 (00:00:13)</b> 52:21 A. I've read it. 52:22 Q. All right. Does McKesson 52:23 acknowledge that it has a duty to maintain 52:24 effective control against diversion of opium 52:25 pills as mandated by Congress?	P013.44
53:03 - 53:03	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b> 53:3 THE WITNESS: We do.	P013.45
53:10 - 53:24	<b>Hartle, Nathan 07-31-2018 (00:01:04)</b>	P013.261

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	<p>53:10 This is going to be marked as</p> <p>53:11 Exhibit 6 in the bottom right-hand corner,</p> <p>53:12 and in the top right-hand corner it's MCK</p> <p>53:13 30(b)(6)_6.</p> <p>53:14 For our fans following on the</p> <p>53:15 telephone, this is the Congressional history</p> <p>53:16 that can be found at 91-1444. It is Public</p> <p>53:17 Law 91-513.</p> <p>53:18 Do you remember when we were</p> <p>53:19 looking at the United States Code and it</p> <p>53:20 referenced Public Law 91-513 from Exhibit 5?</p> <p>53:21 A. Yes.</p> <p>53:22 Q. This is that document, I'll</p> <p>53:23 represent to you.</p> <p>53:24 A. Okay.</p>	
55:02 - 55:06	<b>Hartle, Nathan 07-31-2018 (00:00:14)</b>	P013.46
	<p>55:2 Q. I'm going to have you to turn</p> <p>55:3 to Bates stamp page 8. And again, these are</p> <p>55:4 my highlights. Congress didn't highlight</p> <p>55:5 So while you</p> <p>55:6 read it, I'm going to read it out loud.</p>	
55:07 - 55:21	<b>Hartle, Nathan 07-31-2018 (00:00:44)</b>	P013.47
	<p>55:7 "The bill was designed to</p> <p>55:8 improve the administration and regulation of</p> <p>55:9 the manufacturing, distribution and</p> <p>55:10 dispensing of controlled substances by</p> <p>55:11 providing for a closed system of drug</p> <p>55:12 distribution for legitimate handlers of such</p> <p>55:13 drugs. Such a closed system should</p> <p>55:14 significantly reduce the widespread diversion</p> <p>55:15 of these drugs out of the legitimate channels</p> <p>55:16 into the illicit market, while at the same</p> <p>55:17 time providing the legitimate drug industry</p> <p>55:18 with a unified approach to narcotic and</p> <p>55:19 dangerous drug control."</p> <p>55:20 Does McKesson acknowledge the</p> <p>55:21 truth of this finding by Congress?</p>	
55:23 - 55:23	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b>	P013.48
	55:23 THE WITNESS: Yes.	
56:24 - 57:02	<b>Hartle, Nathan 07-31-2018 (00:00:10)</b>	P013.49

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
56:24	Q. So the controlled substances	
56:25	are in a chain of distribution that are	
57:1	closed off to the rest of the marketplace.	
57:2	McKesson acknowledges that?	
57:04 - 57:05	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.50
57:4	THE WITNESS: Correct. It's a	
57:5	closed system.	
57:07 - 57:14	<b>Hartle, Nathan 07-31-2018 (00:00:23)</b>	P013.51
57:7	Q. And in order to participate in	
57:8	the closed system, you have to be one of the	
57:9	select few that gets a registration	
57:10	certificate from the DEA, agreed?	
57:11	A. Agreed.	
57:12	Q. And the reason Congress did	
57:13	this was to reduce diversion. Does McKesson	
57:14	acknowledge that?	
57:16 - 57:17	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b>	P013.52
57:16	THE WITNESS: Yes, I believe	
57:17	that was the overall intent.	
58:18 - 59:05	<b>Hartle, Nathan 07-31-2018 (00:00:31)</b>	P013.53
58:18	Q. So the idea here is that -- to	
58:19	close the system of distribution so that we	
58:20	keep these dangerous opium pills inside the	
58:21	legitimate market for medical care, agreed?	
58:22	A. Agreed.	
58:23	Q. And that's why we have these	
58:24	laws enacted, so that we can do our best to	
58:25	keep these drugs to the patients that need	
59:1	them, agreed?	
59:2	A. Agreed.	
59:3	Q. And if you don't follow those	
59:4	laws, then what happens is we have diversion	
59:5	into the illicit market?	
59:07 - 59:08	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.54
59:7	THE WITNESS: That can happen	
59:8	if you don't follow those laws.	
59:15 - 59:23	<b>Hartle, Nathan 07-31-2018 (00:00:29)</b>	P013.55
59:15	Q. Next I'm going to have you flip	
59:16	to page 11. And I just highlighted one	
59:17	sentence in here. And it says, "The price	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	59:18 for participation in this traffic," which is	
	59:19 illicit drug trafficking, "should be	
	59:20 prohibitive."	
	59:21 Do you see that sentence?	
	59:22 A. I see that.	
60:02 - 60:03	59:23 Q. Does McKesson acknowledge that? <b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.56
	60:2 Q. Does McKesson acknowledge that	
60:05 - 60:05	60:3 sentence to be true? <b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.57
	60:5 THE WITNESS: Yes.	
60:07 - 60:10	<b>Hartle, Nathan 07-31-2018 (00:00:08)</b>	P013.58
	60:7 Q. It just makes sense, right? If	
	60:8 you're going to punish somebody and the	
	60:9 punishment isn't very severe, they're likely	
	60:10 to what?	
60:12 - 60:12	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b>	P013.59
	60:12 THE WITNESS: To do it again.	
60:14 - 60:16	<b>Hartle, Nathan 07-31-2018 (00:00:06)</b>	P013.60
	60:14 Q. Why?	
	60:15 A. There's no penalty or	
	60:16 accountability.	
62:21 - 63:01	<b>Hartle, Nathan 07-31-2018 (00:00:19)</b>	P013.61
	62:21 Q. Like not to be cute, but	
	62:22 McKesson was fined \$13 million in 2008 and	
	62:23 then was fined again in 2017 \$150 million.	
	62:24 Do you think that the second	
	62:25 fine was intended to be more prohibitive than	
	63:1 the first fine?	
63:03 - 63:03	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.62
	63:3 THE WITNESS: I believe so.	
78:04 - 78:08	<b>Hartle, Nathan 07-31-2018 (00:00:24)</b>	P013.63
	78:4 Does McKesson acknowledge that	
	78:5 the CFR provision cited in Masters	
	78:6 Pharmaceutical case, which is 21 CFR	
	78:7 1301.74 B, is and always has been the law	
	78:8 governing McKesson's conduct since 1971?	
78:10 - 78:10	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.64
	78:10 THE WITNESS: Yes.	
84:10 - 84:16	<b>Hartle, Nathan 07-31-2018 (00:00:21)</b>	P013.65

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
84:10 - 84:24	<p>84:10 Q. Aside from the statute from the</p> <p>84:11 United States Code and the regulations</p> <p>84:12 promulgated by the Department of Justice,</p> <p>84:13 does McKesson acknowledge that it owes a duty</p> <p>84:14 to the general public to prevent diversion of</p> <p>84:15 controlled substances and opium pills into</p> <p>84:16 the illicit market?</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:08)</b></p> <p>84:18 THE WITNESS: We do feel</p> <p>84:19 strongly about playing a role in</p> <p>84:20 preventing diversion.</p> <p>84:21 QUESTIONS BY MR. FARRELL:</p> <p>84:22 Q. So the answer needs to be</p> <p>84:23 "yes," "no," or "I don't know."</p> <p>84:24 A. Yes.</p>	P013.66
85:02 - 85:07	<p><b>Hartle, Nathan 07-31-2018 (00:00:16)</b></p> <p>85:2 Q. So your answer is, yes, aside</p> <p>85:3 from the statutory and regulatory provisions,</p> <p>85:4 McKesson acknowledges that it owes a duty to</p> <p>85:5 the general public to prevent diversion of</p> <p>85:6 controlled substances and opium pills into</p> <p>85:7 the illicit market?</p>	P013.262
85:09 - 85:09	<p><b>Hartle, Nathan 07-31-2018 (00:00:01)</b></p> <p>85:9 THE WITNESS: Yes.</p>	P013.263
85:13 - 85:14	<p><b>Hartle, Nathan 07-31-2018 (00:00:05)</b></p> <p>85:13 Q. I'm going to mark what is going</p> <p>85:14 to be Deposition Exhibit 10.</p>	P013.67
86:06 - 86:24	<p><b>Hartle, Nathan 07-31-2018 (00:00:51)</b></p> <p>86:6 Q. This one is from December 1910</p> <p>86:7 and January 1911. That's a long time ago,</p> <p>86:8 isn't it?</p> <p>86:9 A. That would be a long time ago.</p> <p>86:10 Q. 100 years ago.</p> <p>86:11 This predates 1970s US Code and</p> <p>86:12 the 1971 Code of Federal Regulations, agreed?</p> <p>86:13 A. Clearly, yes.</p> <p>86:14 Q. This is a hearing on -- take a</p> <p>86:15 guess.</p> <p>86:16 A. Opioids.</p> <p>86:17 Q. In particular, opium. And it</p>	P013.68

Page/Line	Source	ID
	<p>86:18 was about the importation of opium into</p> <p>86:19 America back in the early turn of the</p> <p>86:20 century.</p> <p>86:21 McKesson was around back then,</p> <p>86:22 wasn't they?</p> <p>86:23 A. McKesson was -- has been</p> <p>86:24 around.</p>	
88:17 - 88:23	<p><b>Hartle, Nathan 07-31-2018 (00:00:19)</b></p> <p>88:17 Q. Page 72 is the beginning of the</p> <p>88:18 testimony of Mr. McKesson from McKesson &amp;</p> <p>88:19 Robbins, which is the predecessor and when</p> <p>88:20 McKesson Corporation was in the private hands</p> <p>88:21 of the McKesson family.</p> <p>88:22 You acknowledge that?</p> <p>88:23 A. Correct.</p>	P013.69
89:11 - 90:13	<p><b>Hartle, Nathan 07-31-2018 (00:01:03)</b></p> <p>89:11 Q. He's asked about whether or not</p> <p>89:12 he's in favor of the bill.</p> <p>89:13 Do you see that?</p> <p>89:14 A. I do.</p> <p>89:15 Q. And his answer is, "Yes, very</p> <p>89:16 much in favor of the bill."</p> <p>89:17 Do you see that provision?</p> <p>89:18 A. I do.</p> <p>89:19 Q. Now, would you please begin</p> <p>89:20 reading the next sentence?</p> <p>89:21 A. Out loud?</p> <p>89:22 Q. Please.</p> <p>89:23 A. "Our firm was founded in 1832,</p> <p>89:24 and we have been ever since against the sale</p> <p>89:25 of habit-forming drugs and all that kind of</p> <p>90:1 thing. Orders which have come to us from</p> <p>90:2 suspicious people we have put in the hands of</p> <p>90:3 the proper authorities for tracing and</p> <p>90:4 prosecution, if necessary."</p> <p>90:5 Q. So you agree with me that even</p> <p>90:6 before the enactment of the Controlled</p> <p>90:7 Substances Act and the Code of Federal</p> <p>90:8 Regulations, which we discussed earlier this</p> <p>90:9 morning, is that McKesson, Mr. McKesson</p>	P013.70

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
90:15 - 90:16	<p>90:10 hisself, was acknowledging that if they have  90:11 suspicious people, they're going to turn it  90:12 over to law enforcement for prosecution,  90:13 agreed?</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:02)</b></p> <p>90:15 THE WITNESS: Agreed based on  90:16 what I'm reading in this document.</p>	P013.71
90:18 - 90:20	<p><b>Hartle, Nathan 07-31-2018 (00:00:06)</b></p> <p>90:18 Q. And this duty predates the US  90:19 Code and predates the Code of Federal  90:20 Regulations, agreed?</p>	P013.72
90:22 - 90:22	<p><b>Hartle, Nathan 07-31-2018 (00:00:01)</b></p> <p>90:22 THE WITNESS: Agreed.</p>	P013.73
91:11 - 91:15	<p><b>Hartle, Nathan 07-31-2018 (00:00:12)</b></p> <p>91:11 Does McKesson acknowledge it  91:12 owes a common law duty to the American public  91:13 to prevent the diversion of controlled  91:14 substances, including opium pills, into the  91:15 illicit market?</p>	P013.74
91:17 - 91:25	<p><b>Hartle, Nathan 07-31-2018 (00:00:19)</b></p> <p>91:17 THE WITNESS: Yes.  91:18 QUESTIONS BY MR. FARRELL:  91:19 Q. Now, the first part of the  91:20 sentence, it kind of grabbed my attention.  91:21 It says, "McKesson has ever since been  91:22 against the sale of habit-forming drugs."  91:23 And this was in 1910.  91:24 Do you see that?  91:25 A. I see that.</p>	P013.75
92:06 - 92:09	<p><b>Hartle, Nathan 07-31-2018 (00:00:12)</b></p> <p>92:6 Q. At some point in time  92:7 McKesson's philosophy changed, and it went  92:8 from not selling habit-forming drugs to now  92:9 selling habit-forming drugs, agreed?</p>	P013.76
92:11 - 92:11	<p><b>Hartle, Nathan 07-31-2018 (00:00:01)</b></p> <p>92:11 THE WITNESS: Agreed.</p>	P013.77
92:22 - 93:04	<p><b>Hartle, Nathan 07-31-2018 (00:00:16)</b></p> <p>92:22 Q. Well, you could choose not to  92:23 sell opium pills anymore in America, could  92:24 you not?</p>	P013.78



## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	92:25 A. You could choose to.	
	93:1 Q. But McKesson chooses to	
	93:2 continue to sell opium pills in America,	
	93:3 despite the fact that we have an opiate pill	
	93:4 epidemic?	
93:06 - 93:06	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.79
	93:6 THE WITNESS: We do.	
96:06 - 96:07	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.80
	96:6 Q. We're going to have it marked	
	96:7 as Exhibit 12.	
96:19 - 96:24	<b>Hartle, Nathan 07-31-2018 (00:00:11)</b>	P013.81
	96:19 Q. Now, does McKesson recognize	
	96:20 this document?	
	96:21 A. I do.	
	96:22 Q. And has McKesson reviewed this	
	96:23 document in preparation for today's	
	96:24 testimony?	
97:01 - 97:09	<b>Hartle, Nathan 07-31-2018 (00:00:23)</b>	P013.82
	97:1 THE WITNESS: I have.	
	97:2 QUESTIONS BY MR. FARRELL:	
	97:3 Q. What is this document?	
	97:4 A. This is the operational manual	
	97:5 for how controlled substances are handled	
	97:6 within McKesson.	
	97:7 Q. And what was the date of	
	97:8 enactment?	
	97:9 A. I believe July of 2000.	
107:19 - 107:24	<b>Hartle, Nathan 07-31-2018 (00:00:21)</b>	P013.83
	107:19 Q. Now, would you read the last	
	107:20 sentence?	
	107:21 A. "It's extremely important that	
	107:22 McKesson employees comply fully with the	
	107:23 regulations and the following guidelines."	
	107:24 Q. How important is it?	
108:01 - 108:06	<b>Hartle, Nathan 07-31-2018 (00:00:11)</b>	P013.84
	108:1 THE WITNESS: To recite, it	
	108:2 says "extremely important."	
	108:3 QUESTIONS BY MR. FARRELL:	
	108:4 Q. And why?	
	108:5 A. To prevent the diversion of	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
110:18 - 110:21	<p>108:6 controlled substances.</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:12)</b></p> <p>110:18 Q. Now, if you flip to the next</p> <p>110:19 page, page 28, at the top it's paragraph A.</p> <p>110:20 And will you read the title of paragraph A?</p> <p>110:21 A. "Detecting suspicious orders."</p>	P013.85
110:22 - 111:15	<p><b>Hartle, Nathan 07-31-2018 (00:00:38)</b></p> <p>110:22 Q. And what's it say over there on</p> <p>110:23 the right, that number?</p> <p>110:24 A. 1301.74.</p> <p>110:25 Q. What do you think that is?</p> <p>111:1 A. That's from the CFR.</p> <p>111:2 Q. All right. And then under</p> <p>111:3 paragraph 1, you see where it says, "DEA</p> <p>111:4 regulation defines suspicious orders as</p> <p>111:5 follows"?</p> <p>111:6 A. I do.</p> <p>111:7 Q. Will you read what's in the</p> <p>111:8 quotation marks?</p> <p>111:9 A. "Suspicious orders include</p> <p>111:10 orders of unusual size, orders deviating</p> <p>111:11 substantially from a normal pattern and</p> <p>111:12 orders of unusual frequency."</p> <p>111:13 Q. Now, if you go down to the</p> <p>111:14 paragraph that starts "recent cases," do you</p> <p>111:15 see that?</p>	P013.297
111:16 - 111:22	<p><b>Hartle, Nathan 07-31-2018 (00:00:18)</b></p> <p>111:16 Will you read the first</p> <p>111:17 sentence?</p> <p>111:18 A. "Recent cases indicate that DEA</p> <p>111:19 will seek large penalties from distributors</p> <p>111:20 who fail to comply with this regulation."</p> <p>111:21 Q. What do you interpret that to</p> <p>111:22 mean?</p>	P013.86
111:25 - 112:03	<p><b>Hartle, Nathan 07-31-2018 (00:00:03)</b></p> <p>111:25 THE WITNESS: Exactly what it</p> <p>112:1 says.</p> <p>112:2 QUESTIONS BY MR. FARRELL:</p> <p>112:3 Q. You got to follow the law?</p>	P013.87
112:05 - 112:08	<p><b>Hartle, Nathan 07-31-2018 (00:00:05)</b></p>	P013.88

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	112:5 THE WITNESS: Right.	
	112:6 QUESTIONS BY MR. FARRELL:	
	112:7 Q. And if McKesson doesn't follow	
	112:8 the law, that makes its conduct unlawful?	
112:10 - 112:10	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.89
	112:10 THE WITNESS: Yes.	
112:19 - 112:23	<b>Hartle, Nathan 07-31-2018 (00:00:08)</b>	P013.298
	112:19 Q. The next sentence says, "It is	
	112:20 left to the distributor to define what	
	112:21 constitutes an unusual or suspicious order."	
	112:22 Do you see that sentence?	
	112:23 A. I do.	
119:08 - 119:12	<b>Hartle, Nathan 07-31-2018 (00:00:16)</b>	P013.90
	119:8 Q. So my question is, is if an	
	119:9 order gets picked up as a suspicious order	
	119:10 under McKesson's detection system in July	
	119:11 of 2000, was McKesson reporting it to the DEA	
	119:12 but still shipping it?	
119:15 - 119:17	<b>Hartle, Nathan 07-31-2018 (00:00:13)</b>	P013.91
	119:15 THE WITNESS: Let me restate.	
	119:16 Reporting to DEA and still shipping	
	119:17 it? I believe so.	
119:19 - 119:20	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.92
	119:19 Q. So the answer is yes?	
	119:20 A. Yes.	
119:21 - 120:02	<b>Hartle, Nathan 07-31-2018 (00:00:12)</b>	P013.299
	119:21 Q. The next sentence says, "It	
	119:22 does not rely on an individual's judgment or	
	119:23 knowledge to determine reporting	
	119:24 appropriateness but rather on statistical	
	119:25 fact."	
	120:1 Do you see that?	
	120:2 A. I see that.	
128:09 - 128:24	<b>Hartle, Nathan 07-31-2018 (00:00:32)</b>	P013.93
	128:9 Q. Now, at the very bottom of the	
	128:10 page, page 4, do you see what it -- it says	
	128:11 "Continued Reporting Responsibility"?	
	128:12 A. I do.	
	128:13 Q. Will you read that aloud, first	
	128:14 sentence?	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	128:15 A. The first -- okay.	
	128:16 "Forwarding these reports to	
	128:17 DEA does not relieve the distribution center	
	128:18 of responsibility to review the reports and	
	128:19 note order quantities of unusual size."	
	128:20 Q. So you acknowledge, sitting	
	128:21 here today as McKesson, that simply	
	128:22 submitting reports to the DEA does not comply	
	128:23 with the US Code or the Code of Federal	
	128:24 Regulations?	
129:02 - 129:07	<b>Hartle, Nathan 07-31-2018 (00:00:13)</b>	P013.94
	129:2 THE WITNESS: Agree.	
	129:3 QUESTIONS BY MR. FARRELL:	
	129:4 Q. You have a duty to review and	
	129:5 note orders of unusual size?	
	129:6 A. It's part of our -- this	
	129:7 document program, yes.	
150:01 - 150:03	<b>Hartle, Nathan 07-31-2018 (00:00:10)</b>	P013.264
	150:1 Q. I'm going to have marked	
	150:2 Exhibit 15, and the exhibit in the top	
	150:3 right-hand corner is 2004_06_17.	
150:10 - 150:17	<b>Hartle, Nathan 07-31-2018 (00:00:24)</b>	P013.265
	150:10 This is part of the US Senate	
	150:11 Permanent Subcommittee on Investigations, and	
	150:12 it was a hearing in June of 2004. And the	
	150:13 title of the hearing was "Buyers Beware: The	
	150:14 Dangers of Purchasing Pharmaceuticals Over	
	150:15 the Internet."	
	150:16 Now, McKesson has some	
	150:17 experience with this, agreed?	
150:19 - 150:24	<b>Hartle, Nathan 07-31-2018 (00:00:08)</b>	P013.266
	150:19 THE WITNESS: Can you define --	
	150:20 experience. What type of experience?	
	150:21 QUESTIONS BY MR. FARRELL:	
	150:22 Q. Well, McKesson was selling to	
	150:23 Internet pharmacies in this time frame,	
	150:24 agreed?	
151:01 - 151:01	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.267
	151:1 THE WITNESS: I believe so.	
152:20 - 153:02	<b>Hartle, Nathan 07-31-2018 (00:00:18)</b>	P013.268

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	152:20 Q. And do you know who this Rudy 152:21 Giuliani fellow is?	
	152:22 A. I do know who Mr. Giuliani is.	
	152:23 Q. He's a lawyer, too, isn't he?	
	152:24 A. He is.	
	152:25 Q. And he was hired to do this 153:1 investigation by the pharmaceutical industry.	
	153:2 Do you see that?	
153:05 - 153:11	<b>Hartle, Nathan 07-31-2018 (00:00:07)</b>	P013.269
	153:5 THE WITNESS: I don't know if I 153:6 see where specifically it states that.	
	153:7 QUESTIONS BY MR. FARRELL:	
	153:8 Q. It says, "Giuliani Partners has 153:9 been" --	
	153:10 A. Oh, in the middle. Okay.	
	153:11 Sorry.	
153:15 - 153:25	<b>Hartle, Nathan 07-31-2018 (00:00:31)</b>	P013.270
	153:15 Q. Now what I'm going to have you 153:16 do is I'm going to have you flip over to 153:17 page 4, and it's interesting what Rudy 153:18 Giuliani found.	
	153:19 Do you see where it says "the 153:20 distribution chain"?	
	153:21 It says, "On its face, it 153:22 appears that the distribution chain for 153:23 prescription medicines in the United States 153:24 is fairly straightforward."	
	153:25 A. I was on the wrong number 4.	
154:01 - 155:02	<b>Hartle, Nathan 07-31-2018 (00:00:57)</b>	P013.288
	154:1 I see where it says that.	
	154:2 Q. And it says, "Manufacturers 154:3 sell their products to wholesalers."	
	154:4 That'd be you, McKesson, 154:5 correct?	
	154:6 A. Correct.	
	154:7 Q. "Who, in turn, sell the 154:8 products to retail pharmacies and stores, 154:9 who, in turn, dispense medicines to patients 154:10 with prescriptions."	
	154:11 Do you see that?	

Page/Line	Source	ID
	154:12 A. Yes.	
	154:13 Q. And that's a straightforward	
	154:14 system is what Rudy Giuliani is saying.	
	154:15 Will you read the next	
	154:16 sentence, please?	
	154:17 A. "It is not until the system is	
	154:18 studied in greater detail that one begins to	
	154:19 appreciate both the complexities and the	
	154:20 vulnerability of the distribution chain and	
	154:21 potential for exploitation or abuse."	
	154:22 Q. So big pharma is acknowledging	
	154:23 in 2004, through hiring their own expert in	
	154:24 presenting to Congress, that this chain of	
	154:25 distribution that McKesson is engaged in is	
	155:1 complex and vulnerable for exploitation or	
	155:2 abuse, agreed?	
155:05 - 155:24	<b>Hartle, Nathan 07-31-2018 (00:00:52)</b>	P013.271
	155:5 THE WITNESS: It's what they	
	155:6 listed in here and documented, yes.	
	155:7 QUESTIONS BY MR. FARRELL:	
	155:8 Q. And the very first factor for	
	155:9 contributing factors, will you read aloud	
	155:10 what it says?	
	155:11 A. "Wholesalers or distributors	
	155:12 are primarily regulated by the states, with	
	155:13 no uniform standards across state borders.	
	155:14 States have a comparatively small number of	
	155:15 investigators to monitor the licensed	
	155:16 wholesalers; thus, given the sheer number of	
	155:17 wholesalers, oversight is minimal."	
	155:18 Q. In the very next paragraph it	
	155:19 says, "There are thousands of secondary	
	155:20 pharmaceutical wholesalers in addition to	
	155:21 McKesson, AmerisourceBergen and Cardinal	
	155:22 Health, the big three."	
	155:23 Do you see that sentence?	
	155:24 A. I see that.	
157:13 - 157:24	<b>Hartle, Nathan 07-31-2018 (00:00:31)</b>	P013.272
	157:13 Q. In 2004, big pharma hired Rudy	
	157:14 Giuliani's firm to do an evaluation of the	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	157:15 chain of distribution of prescription 157:16 medicines, and what he found was that the 157:17 chain of distribution was subject to 157:18 exploitation or abuse because of lack of 157:19 oversight? 157:20 A. That's what's stated in the 157:21 document, correct. 157:22 Q. And that during this time 157:23 frame, McKesson paid a fine for that very 157:24 thing?	
158:01 - 158:02	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b> 158:1 THE WITNESS: In the 2008 158:2 settlement, yes.	P013.273
159:19 - 160:11	<b>Hartle, Nathan 07-31-2018 (00:00:59)</b> 159:19 Q. I'm going to reference 159:20 Exhibit 16 which we've just had marked. The 159:21 top right-hand corner is 2006_09_27, 159:22 Bates-stamped MCKMDL00478906. 159:23 Do you recognize this document? 159:24 A. I do. 159:25 Q. What is it? 160:1 A. It's a letter from DEA to 160:2 registrants from Joe Rannazzisi. 160:3 Q. Is this -- you might need help 160:4 with counsel a little bit on this. 160:5 I don't see where this letter 160:6 is addressed to McKesson as the recipient; 160:7 however, this document was produced by 160:8 McKesson. And I'm assuming this is the 2006 160:9 Rannazzisi letter that was sent to McKesson. 160:10 Is that your understanding? 160:11 A. Yes.	P013.95
161:19 - 161:23	<b>Hartle, Nathan 07-31-2018 (00:00:09)</b> 161:19 Q. But sitting here today as the 161:20 McKesson corporate designee, you acknowledge 161:21 receipt of the September 27, 2006 letter from 161:22 Joe Rannazzisi? 161:23 A. Yes.	P013.96
163:24 - 164:11	<b>Hartle, Nathan 07-31-2018 (00:00:47)</b> 163:24 Q. Did McKesson change its conduct	P013.97

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	163:25 at all based upon this correspondence?	
	164:1 A. From what I understand in	
	164:2 talking with a former McKesson employee	
	164:3 before this deposition, this was mostly a	
	164:4 confirmation or a reiteration of the	
	164:5 regulations, which McKesson knew, and	
	164:6 highlighting things that were -- you know,	
	164:7 that the team was doing. And it was sort of	
	164:8 a validation of some of the things that they	
	164:9 had been doing, so the red flags and things	
	164:10 like that. So not significant changes that	
	164:11 I'm aware of.	
165:10 - 165:12	<b>Hartle, Nathan 07-31-2018 (00:00:05)</b>	<b>P013.98</b>
	165:10 So let's start with this: Is	
	165:11 there anything in this letter that you	
	165:12 disagree with?	
165:14 - 165:16	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b>	<b>P013.99</b>
	165:14 THE WITNESS: I don't believe	
	165:15 there's anything I would disagree	
	165:16 with.	
165:18 - 165:19	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	<b>P013.100</b>
	165:18 Q. Is this an accurate statement	
	165:19 of the law?	
165:21 - 165:21	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	<b>P013.101</b>
	165:21 THE WITNESS: I believe it is.	
165:23 - 166:12	<b>Hartle, Nathan 07-31-2018 (00:00:42)</b>	<b>P013.102</b>
	165:23 Q. So as of September 27, 2006,	
	165:24 the DEA is advising McKesson -- not advising,	
	165:25 but referencing the fact that there was a	
	166:1 prescription drug abuse problem in the United	
	166:2 States of America. That's in the very first	
	166:3 paragraph.	
	166:4 Does McKesson acknowledge that?	
	166:5 A. Yes.	
	166:6 Q. The next sentence says, "As	
	166:7 each of you is undoubtedly aware, the abuse,	
	166:8 nonmedical use, of controlled prescription	
	166:9 drugs is a serious and growing health problem	
	166:10 in the country."	
	166:11 Does McKesson agree and	



## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
166:14 - 166:14	166:12 acknowledge that fact as of 2006? <b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.104
166:16 - 167:02	166:14 THE WITNESS: Yes. <b>Hartle, Nathan 07-31-2018 (00:00:34)</b> 166:16 Q. The next full paragraph says, 166:17 "The Controlled Substances Act was designed 166:18 by Congress to combat diversion by providing 166:19 for a closed system of drug distribution in 166:20 which all legitimate handlers of controlled 166:21 substances must obtain a DEA registration; as 166:22 a condition of maintaining such registration, 166:23 must take reasonable steps to ensure that 166:24 their registration is not being utilized as a 166:25 source of diversion." 167:1 Does McKesson acknowledge and 167:2 agree with that statement?	P013.105
167:04 - 167:05	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 167:4 THE WITNESS: I agree with 167:5 that.	P013.106
167:07 - 168:03	<b>Hartle, Nathan 07-31-2018 (00:00:44)</b> 167:7 Q. I'd like you to read the next 167:8 sentence aloud, please. 167:9 A. Where it starts "distributors 167:10 are"? 167:11 Q. Yes. 167:12 A. "Distributors are, of course, 167:13 one of the key components of the distribution 167:14 chain." 167:15 Q. Keep going, please. 167:16 A. You want me to read the whole 167:17 paragraph? Okay. 167:18 "If the closed system is to 167:19 function properly as Congress envisioned, 167:20 distributors must be vigilant in deciding 167:21 whether a prospective customer can be trusted 167:22 to deliver controlled substances only for 167:23 lawful purposes. The responsibility is 167:24 critical, as Congress has expressly declared 167:25 that the illegal distribution of controlled 168:1 substances has a substantial and detrimental	P013.107

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
168:04 - 168:11	<p>168:2 effect on the health and general welfare of 168:3 the American people." <b>Hartle, Nathan 07-31-2018 (00:00:18)</b></p> <p>168:4 Q. So again, this is the DEA 168:5 reiterating what we've discussed before: 168:6 that failing to abide by the Code of Federal 168:7 Regulations has a substantial and detrimental 168:8 effect on the health and general welfare of 168:9 the American people. 168:10 Does McKesson agree and 168:11 acknowledge with that fact?</p>	P013.108
168:13 - 168:13	<p><b>Hartle, Nathan 07-31-2018 (00:00:02)</b></p> <p>168:13 THE WITNESS: Yes.</p>	P013.109
168:15 - 169:02	<p><b>Hartle, Nathan 07-31-2018 (00:00:42)</b></p> <p>168:15 Q. Go to the next page, page 2, 168:16 the second full paragraph. It says, 168:17 "Nonetheless, given the extent of 168:18 prescription drug abuse in the United States, 168:19 along with the potential -- along with 168:20 dangerous and potentially lethal consequences 168:21 of such abuse" -- will you please finish that 168:22 sentence? 168:23 A. "Even just one distributor that 168:24 uses its DEA registration to facilitate 168:25 diversion can cause enormous harm." 169:1 Q. Does McKesson acknowledge and 169:2 accept that fact?</p>	P013.110
169:04 - 169:05	<p><b>Hartle, Nathan 07-31-2018 (00:00:02)</b></p> <p>169:4 THE WITNESS: I agree with 169:5 that.</p>	P013.111
169:07 - 169:16	<p><b>Hartle, Nathan 07-31-2018 (00:00:31)</b></p> <p>169:7 Q. If you go down to the third to 169:8 last paragraph, it says, "In addition to 169:9 reporting all suspicious orders, a 169:10 distributor has a statutory responsibility to 169:11 exercise due diligence to avoid filling 169:12 suspicious orders that might be diverted into 169:13 other than legitimate medical, scientific and 169:14 industrial channels." 169:15 Does McKesson acknowledge and</p>	P013.112

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
169:18 - 169:18	169:16 accept that to be true? <b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.113
170:04 - 170:14	169:18 THE WITNESS: Yes. <b>Hartle, Nathan 07-31-2018 (00:00:31)</b> 170:4 Q. All right. Since I butchered 170:5 that sentence, will you please read the last 170:6 sentence that's highlighted on the screen? 170:7 A. "The distributor should 170:8 exercise due care in confirming the 170:9 legitimacy of all orders prior to filling." 170:10 Q. Now, this is in September 170:11 of 2006, agreed? 170:12 A. Agreed. 170:13 Q. And this is a clear statement 170:14 from the DEA; would you agree with that?	P013.114
170:15 - 170:15	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 170:15 A. I would agree with that.	P013.115
179:17 - 179:18	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b> 179:17 Q. I'm going to mark what's going 179:18 to be Exhibit 17.	P013.116
180:10 - 180:18	<b>Hartle, Nathan 07-31-2018 (00:00:18)</b> 180:10 So to start off with on this 180:11 exhibit, you acknowledge that there was a 180:12 meeting with the DEA on April 5, 2007. It's 180:13 from the very first paragraph. 180:14 A. Yes. 180:15 Q. So at this point in time, the 180:16 DEA had issued an order to show cause against 180:17 McKesson, agreed? 180:18 A. Correct.	P013.117
181:07 - 181:12	<b>Hartle, Nathan 07-31-2018 (00:00:17)</b> 181:7 But for what we have here, this 181:8 appears that at least in April of 2007, the 181:9 DEA had already issued a rule to show cause 181:10 complaining that one of your distribution 181:11 centers was not following federal law, 181:12 agreed?	P013.118
181:14 - 181:15	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b> 181:14 THE WITNESS: That's what they 181:15 alleged.	P013.119

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
187:25 - 188:05	<b>Hartle, Nathan 07-31-2018 (00:00:14)</b> 187:25 Q. And on page 2 of this exhibit, 188:1 it says you're going to implement this 188:2 Lifestyle Drug Monitoring Program by May 1, 188:3 2007. 188:4 Do you see that paragraph? 188:5 A. I do.	P013.120
191:11 - 191:13	<b>Hartle, Nathan 07-31-2018 (00:00:08)</b> 191:11 Q. And you've identified 8,000 191:12 pills by base code as the threshold for each 191:13 customer, agreed?	P013.121
191:15 - 191:20	<b>Hartle, Nathan 07-31-2018 (00:00:08)</b> 191:15 THE WITNESS: For those four 191:16 specific base codes called out. 191:17 QUESTIONS BY MR. FARRELL: 191:18 Q. And that includes hydrocodone 191:19 and oxycodone? 191:20 A. It does.	P013.259
192:07 - 192:14	<b>Hartle, Nathan 07-31-2018 (00:00:28)</b> 192:7 But in general, the DEA in 2007 192:8 is telling McKesson the average pharmacy is 192:9 5,000 pills a month for each of these four 192:10 drugs, two of which are oxycodone and 192:11 hydrocodone, and that McKesson is promising 192:12 with its proposed action plan following an 192:13 investigation and a rule to show cause to 192:14 adopt a threshold of 8,000 pills.	P013.122
192:18 - 192:19	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 192:18 Q. That's what it says. 192:19 A. Right.	P013.123
192:22 - 193:03	<b>Hartle, Nathan 07-31-2018 (00:00:28)</b> 192:22 Q. And then following that, on the 192:23 next page it talks about the level of 192:24 reviews. Page 3. The top of the page says, 192:25 "The customer will not be allowed to exceed 193:1 the 8,000 monthly dosage limit until a due 193:2 diligence review has been completed." 193:3 A. I see that.	P013.124
197:14 - 197:23	<b>Hartle, Nathan 07-31-2018 (00:00:26)</b> 197:14 Q. The next part: "A distributor	P013.125

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	197:15 has a statutory responsibility to exercise 197:16 due diligence to avoid filling suspicious 197:17 orders." 197:18 Agreed? 197:19 A. I agree with that language. It 197:20 doesn't say -- that's not halt. 197:21 Q. Well, it's a halt until you do 197:22 due diligence -- 197:23 A. Yeah.	
198:05 - 198:08	<b>Hartle, Nathan 07-31-2018 (00:00:11)</b> 198:5 Q. Block -- all I'm saying is, is 198:6 that McKesson's not allowed to ship a 198:7 suspicious order without looking into it 198:8 first, agreed?	P013.126
198:10 - 198:11	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b> 198:10 THE WITNESS: That's how I read 198:11 that language.	P013.127
198:13 - 198:14	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 198:13 Q. That is the law? 198:14 A. Yeah.	P013.128
201:15 - 201:18	<b>Hartle, Nathan 07-31-2018 (00:00:15)</b> 201:15 Q. The shipping requirement and 201:16 the reporting requirement as outlined in the 201:17 Masters Pharmaceutical case is and always has 201:18 been the law in the United States of America?	P013.129
201:21 - 201:22	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b> 201:21 THE WITNESS: I believe that's 201:22 the law. I mean...	P013.130
201:24 - 201:24	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 201:24 Q. Well, you're McKesson --	P013.131
202:02 - 202:03	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 202:2 THE WITNESS: I did. I didn't 202:3 really have a -- yeah.	P013.274
202:06 - 202:07	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 202:6 QUESTIONS BY MR. FARRELL: 202:7 Q. So your answer is yes?	P013.275
202:09 - 202:09	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b> 202:9 THE WITNESS: Yes.	P013.132
203:07 - 203:11	<b>Hartle, Nathan 07-31-2018 (00:00:15)</b> 203:7 The shipping requirement and the reporting	P013.276

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
203:15 - 203:16	<p>203:8 requirement as outlined and defined in the</p> <p>203:9 Masters Pharmaceutical case is and always has</p> <p>203:10 been the law in the United States of America;</p> <p>203:11 agree or disagree?</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:03)</b></p> <p>203:15 THE WITNESS: I agree that</p> <p>203:16 that's the law.</p>	P013.133
203:18 - 203:19	<p><b>Hartle, Nathan 07-31-2018 (00:00:05)</b></p> <p>203:18 Q. And if you don't follow the</p> <p>203:19 law, that makes it unlawful?</p>	P013.277
203:21 - 203:25	<p><b>Hartle, Nathan 07-31-2018 (00:00:10)</b></p> <p>203:21 THE WITNESS: If you don't</p> <p>203:22 follow a law, that would be unlawful.</p> <p>203:23 QUESTIONS BY MR. FARRELL:</p> <p>203:24 Q. And if you don't follow the</p> <p>203:25 shipping requirement, that's unlawful?</p>	P013.134
204:02 - 204:03	<p><b>Hartle, Nathan 07-31-2018 (00:00:03)</b></p> <p>204:2 THE WITNESS: And if you don't</p> <p>204:3 follow the law, I would agree.</p>	P013.289
204:13 - 204:19	<p><b>Hartle, Nathan 07-31-2018 (00:00:36)</b></p> <p>204:13 Q. So when you look at paragraph 7</p> <p>204:14 of Exhibit 17, the 2007 correspondence from</p> <p>204:15 McKesson to the DEA, you are announcing that</p> <p>204:16 you're going to adopt new measures,</p> <p>204:17 additional measures, revised, amended,</p> <p>204:18 changed, more measures, to comply with</p> <p>204:19 federal law?</p>	P013.278
204:24 - 205:06	<p><b>Hartle, Nathan 07-31-2018 (00:00:11)</b></p> <p>204:24 THE WITNESS: We're</p> <p>204:25 communicating that we were enhancing</p> <p>205:1 the program.</p> <p>205:2 QUESTIONS BY MR. FARRELL:</p> <p>205:3 Q. In response to allegations that</p> <p>205:4 you were not fulfilling your obligations</p> <p>205:5 under the shipping requirement and reporting</p> <p>205:6 requirement?</p>	P013.279
205:08 - 205:09	<p><b>Hartle, Nathan 07-31-2018 (00:00:03)</b></p> <p>205:8 THE WITNESS: In part due to</p> <p>205:9 allegations.</p>	P013.280
208:12 - 208:22	<p><b>Hartle, Nathan 07-31-2018 (00:00:33)</b></p>	P013.135

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	208:12 I could theoretically show you	
	208:13 that a Rite Aid, in May of 2007 in Akron,	
	208:14 Ohio, ordered 26,000 oxycodone pills. Under	
	208:15 this lifestyle policy, what it seems to	
	208:16 indicate is that that's more than 8,000 a	
	208:17 month.	
	208:18 You'll agree that 26,000 is	
	208:19 more than 8,000?	
	208:20 A. I will agree to that.	
	208:21 Q. And under this policy, you're	
	208:22 not allowed to ship it until you do what?	
208:24 - 208:25	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.136
	208:24 THE WITNESS: A review or some	
	208:25 due diligence.	
210:21 - 210:23	<b>Hartle, Nathan 07-31-2018 (00:00:12)</b>	P013.137
	210:21 Q. Let's say there's ten. Should	
	210:22 there be ten customer files that document why	
	210:23 McKesson was exceeding 8,000 pills a month?	
210:25 - 211:01	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.138
	210:25 THE WITNESS: There should be	
	211:1 documentation.	
211:11 - 211:16	<b>Hartle, Nathan 07-31-2018 (00:00:30)</b>	P013.281
	211:11 Q. If, if, if, three ifs, no due	
	211:12 diligence was performed, yet McKesson still	
	211:13 shipped more than 8,000 oxycodone pills to a	
	211:14 pharmacy in Cuyahoga or Summit County in May	
	211:15 of 2007, is that lawful or unlawful according	
	211:16 to the federal regulations?	
211:19 - 212:02	<b>Hartle, Nathan 07-31-2018 (00:00:23)</b>	P013.140
	211:19 Q. Why are you struggling with	
	211:20 this?	
	211:21 A. I'm just thinking. I mean,	
	211:22 it's -- if it's -- it wouldn't be lawful.	
	211:23 Q. That makes it...	
	211:24 A. If there weren't documentation.	
	211:25 Or due diligence, excuse me.	
	212:1 Q. Then it would be lawful or	
	212:2 unlawful?	
212:04 - 212:05	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.141
	212:4 THE WITNESS: It would be	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
213:16 - 213:19	212:5 unlawful. <b>Hartle, Nathan 07-31-2018 (00:00:14)</b>	P013.142
213:22 - 214:04	213:16 If you ship more than 8,000 213:17 pills without conducting due diligence, 213:18 McKesson is engaging in unlawful conduct 213:19 according to federal law? <b>Hartle, Nathan 07-31-2018 (00:00:22)</b>	P013.143
214:06 - 214:11	213:22 THE WITNESS: It can be 213:23 interpreted that way. I mean, it -- 213:24 QUESTIONS BY MR. FARRELL: 213:25 Q. Well, the DEA certainly 214:1 interprets it that way, agreed? 214:2 A. They have. 214:3 Q. And McKesson has paid fines 214:4 based on that DEA interpretation, agreed? <b>Hartle, Nathan 07-31-2018 (00:00:11)</b>	P013.146
214:14 - 214:15	214:6 THE WITNESS: We've paid fines. 214:7 Again, we're -- 214:8 QUESTIONS BY MR. FARRELL: 214:9 Q. Based on the allegations by the 214:10 DEA that you shipped suspicious orders 214:11 without conducting due diligence? <b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.148
215:11 - 215:12	214:14 THE WITNESS: Based on those 214:15 allegations. <b>Hartle, Nathan 07-31-2018 (00:00:04)</b>	P013.149
215:23 - 216:06	215:11 Q. The next exhibit we're going to 215:12 have marked is Exhibit 18. <b>Hartle, Nathan 07-31-2018 (00:00:18)</b>	P013.150
216:22 - 217:01	215:23 Do you recognize this document? 215:24 A. I do. 215:25 Q. What is it? 216:1 A. This is a presentation given by 216:2 Don Walker about -- at a company meeting 216:3 about the Lifestyle Drug Program. 216:4 Q. And Don Walker at the time 216:5 was -- would be working for McKesson? 216:6 A. Yes. <b>Hartle, Nathan 07-31-2018 (00:00:14)</b>	P013.152
	216:22 Q. So this national operations	



## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	216:23 conference 2007, this is a conference that is 216:24 just for McKesson employees. Is that your 216:25 understanding?	
220:22 - 220:24	217:1 A. Yeah, they typically are. <b>Hartle, Nathan 07-31-2018 (00:00:16)</b>	P013.154
	220:22 Q. As of 2007, McKesson is 220:23 recognizing that opioid painkillers kill more 220:24 than cocaine and heroin combined, agreed?	
221:01 - 221:01	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.155
	221:1 THE WITNESS: Agree.	
227:07 - 227:12	<b>Hartle, Nathan 07-31-2018 (00:00:11)</b>	P013.282
	227:7 Q. And then the next sentence, can 227:8 you read it out loud, please? 227:9 A. The next bullet? 227:10 Q. Yes. 227:11 A. "Wholesalers accountable for 227:12 controlling quantities shipped."	
227:21 - 227:24	<b>Hartle, Nathan 07-31-2018 (00:00:09)</b>	P013.156
	227:21 The DEA expects the wholesalers 227:22 to be accountable for controlling quantities 227:23 that they ship. 227:24 Is that fair or unfair?	
228:02 - 228:04	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.157
	228:2 THE WITNESS: That's what 228:3 the -- that's what the DEA expects, I 228:4 guess, yeah.	
228:06 - 228:11	<b>Hartle, Nathan 07-31-2018 (00:00:15)</b>	P013.158
	228:6 Q. Does McKesson acknowledge that 228:7 it is accountable for controlling the 228:8 quantities of opium pills shipped to American 228:9 pharmacies? 228:10 A. We're accountable as a 228:11 distributor.	
246:25 - 247:01	<b>Hartle, Nathan 07-31-2018 (00:00:15)</b>	P013.306
	246:25 Q. Next document, Exhibit 23, 247:1 2007_12_27, Bates stamp MCKMDL00478910. This	
247:02 - 247:08	<b>Hartle, Nathan 07-31-2018 (00:00:21)</b>	P013.305
	247:2 is the December 27, 2007 Rannazzisi letter. 247:3 Do you recognize this document? 247:4 A. I do.	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
247:5	Q. McKesson Corporation	
247:6	acknowledges receipt of this communication	
247:7	from the DEA dated December 27, 2007,	
247:8	correct?	
247:10 - 247:11	<b>Hartle, Nathan 07-31-2018 (00:00:05)</b>	P013.160
247:10	THE WITNESS: Yes, we received	
247:11	it.	
249:24 - 250:05	<b>Hartle, Nathan 07-31-2018 (00:00:25)</b>	P013.161
249:24	Q. This is a 2007 letter, which	
249:25	predates the Masters Pharmaceutical case by a	
250:1	decade. And I'm asking you whether or not	
250:2	you agree that this letter sets forth the	
250:3	shipping requirements and the reporting	
250:4	requirements as outlined in Masters	
250:5	Pharmaceutical.	
250:07 - 250:08	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.162
250:7	THE WITNESS: I'm going to read	
250:8	this again just so --	
250:18 - 251:05	<b>Hartle, Nathan 07-31-2018 (00:00:31)</b>	P013.163
250:18	Q. It states, "Lastly, registrants	
250:19	that routinely report suspicious orders, yet	
250:20	fill these orders without first determining	
250:21	that order is not being diverted, may be	
250:22	failing to maintain effective controls	
250:23	against diversion."	
250:24	It's what you and I have been	
250:25	talking about for the last two hours,	
251:1	correct?	
251:2	A. Correct.	
251:3	Q. This is an accurate statement	
251:4	of federal law from the DEA to McKesson,	
251:5	agreed?	
251:07 - 251:07	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.164
251:7	THE WITNESS: Agreed.	
251:09 - 251:11	<b>Hartle, Nathan 07-31-2018 (00:00:05)</b>	P013.165
251:9	Q. This is the same thing the DC	
251:10	Circuit Court of Appeals said in 2017,	
251:11	agreed?	
251:13 - 251:13	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.166
251:13	THE WITNESS: Agreed.	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
254:25 - 255:13	<b>Hartle, Nathan 07-31-2018 (00:00:46)</b> 254:25 Q. We'll mark Exhibit 25. It's a 255:1 2008_05_02, Bates stamp MCKMDL00355561. 255:2 Do you recognize this document? 255:3 A. I do. 255:4 Q. What is it? 255:5 A. It's the settlement agreement 255:6 from 2008. 255:7 Q. Between? 255:8 A. Between McKesson and the DEA, 255:9 DOJ. 255:10 Q. Settling what? 255:11 A. Settling allegations of things 255:12 related to our responsibilities as a 255:13 distributor.	P013.167
258:20 - 258:23	<b>Hartle, Nathan 07-31-2018 (00:00:10)</b> 258:20 Q. All right. So it's clear in 258:21 2008 what they're telling the DEA -- telling 258:22 McKesson is that whatever you're doing, we 258:23 think it's not enough?	P013.169
258:25 - 259:01	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 258:25 THE WITNESS: It's clear that 259:1 that's what they were alleging.	P013.170
261:09 - 261:11	<b>Hartle, Nathan 07-31-2018 (00:00:09)</b> 261:9 Could the DEA have made it any 261:10 clearer that McKesson has a duty to monitor 261:11 and detect suspicious orders?	P013.172
261:14 - 261:21	<b>Hartle, Nathan 07-31-2018 (00:00:12)</b> 261:14 THE WITNESS: To monitor and 261:15 detect suspicious orders. 261:16 QUESTIONS BY MR. FARRELL: 261:17 Q. That's what it says. 261:18 A. Very clear. 261:19 Q. Could they have been any 261:20 clearer that if you get a suspicious order, 261:21 you can't just ship it?	P013.173
261:24 - 261:24	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b> 261:24 THE WITNESS: That's clear.	P013.174
262:02 - 262:02	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 262:2 Q. Clear or very clear?	P013.175

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
262:04 - 262:04	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b> 262:4 THE WITNESS: It's very clear.	P013.176
268:01 - 268:03	<b>Hartle, Nathan 07-31-2018 (00:00:08)</b> 268:1 Is there a relationship between 268:2 the number of pills that get sold and the 268:3 number of pills that get diverted?	P013.307
268:05 - 268:15	<b>Hartle, Nathan 07-31-2018 (00:00:15)</b> 268:5 THE WITNESS: It's hard to say, 268:6 but you could assume that the -- you 268:7 know -- 268:8 QUESTIONS BY MR. FARRELL: 268:9 Q. I don't want you to assume. 268:10 A. Yeah. 268:11 Q. I want you to use common sense. 268:12 A. Yeah. Using common sense and 268:13 basic logic, you could assume the more pills 268:14 that are out there, the more potential for 268:15 diversion there could be.	P013.308
268:16 - 268:22	<b>Hartle, Nathan 07-31-2018 (00:00:20)</b> 268:16 Q. So if I were to tell you that a 268:17 company sold 100 pills and 10 of them got 268:18 diverted, and then I come back to you and say 268:19 a year later, a thousand pills got sold, what 268:20 does common sense and logic tell you as 268:21 McKesson Corporation how many pills get 268:22 diverted?	P013.300
268:24 - 269:04	<b>Hartle, Nathan 07-31-2018 (00:00:12)</b> 268:24 THE WITNESS: I don't think 268:25 it's that easy of a connection to say 269:1 that happened. There could be many 269:2 different reasons why a thousand 269:3 pills -- there may be an increase of a 269:4 thousand pills with zero diversion.	P013.301
271:14 - 271:18	<b>Hartle, Nathan 07-31-2018 (00:00:09)</b> 271:14 So in general, the more pills 271:15 that gets diverted, the more abuse and 271:16 addiction we find with prescription opium 271:17 pills? 271:18 A. There's that possibility.	P013.179
271:22 - 271:24	<b>Hartle, Nathan 07-31-2018 (00:00:11)</b>	P013.180

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
271:22 - 272:12	<p>271:22 Q. I'm going to have marked what</p> <p>271:23 is Deposition Exhibit 27. The top right-hand</p> <p>271:24 corner is 2012_5_9.</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:27)</b></p> <p>271:25 This is an amicus brief.</p> <p>272:1 Do you know what an amicus</p> <p>272:2 brief is?</p> <p>272:3 A. I do not. I do not have legal</p> <p>272:4 background.</p> <p>272:5 Q. Okay. McKesson Corporation is</p> <p>272:6 a member of the Healthcare Distributors and</p> <p>272:7 Manufacturers Association, now known as the</p> <p>272:8 Healthcare Distributors Association, agreed?</p> <p>272:9 A. Healthcare Distributors</p> <p>272:10 Management Association?</p> <p>272:11 Q. Management, I'm sorry, yes.</p> <p>272:12 A. Yes.</p>	P013.254
273:03 - 273:09	<p><b>Hartle, Nathan 07-31-2018 (00:00:28)</b></p> <p>273:3 Q. So in -- on May 9th of 2012,</p> <p>273:4 HDMA, the Healthcare Distribution Management</p> <p>273:5 Association, wrote a brief to a federal court</p> <p>273:6 here in Washington, DC, in support of</p> <p>273:7 Cardinal Health and against the DEA.</p> <p>273:8 Was McKesson Corporation aware</p> <p>273:9 of this amicus brief?</p>	P013.181
273:18 - 273:19	<p><b>Hartle, Nathan 07-31-2018 (00:00:03)</b></p> <p>273:18 THE WITNESS: I don't know for</p> <p>273:19 100 percent certain, but I assume so.</p>	P013.183
273:21 - 274:04	<p><b>Hartle, Nathan 07-31-2018 (00:00:19)</b></p> <p>273:21 Q. Well, I don't want you to</p> <p>273:22 guess. This is relatively important.</p> <p>273:23 Have you seen any</p> <p>273:24 acknowledgement within McKesson Corporation</p> <p>273:25 validating or affirming or reviewing or</p> <p>274:1 participating in this amicus brief?</p> <p>274:2 A. I have not.</p> <p>274:3 Q. Are you aware of McKesson being</p> <p>274:4 involved at all in the amicus briefs?</p>	P013.302
274:06 - 274:06	<p><b>Hartle, Nathan 07-31-2018 (00:00:01)</b></p> <p>274:6 THE WITNESS: I'm not.</p>	P013.303

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
275:09 - 275:11	<b>Hartle, Nathan 07-31-2018 (00:00:06)</b> 275:9 Q. And, Mr. McKesson Corporation, 275:10 you were on the executive committee of HDMA 275:11 of 2012, were you not?	P013.185
275:14 - 275:15	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b> 275:14 THE WITNESS: One of our senior 275:15 leaders is.	P013.186
275:25 - 276:06	<b>Hartle, Nathan 07-31-2018 (00:00:18)</b> 275:25 Q. So I'm going to ask you a 276:1 couple of questions about it. 276:2 A. Okay. 276:3 Q. If you flip to page 3... 276:4 A. Of the brief? 276:5 Q. Of the brief. 276:6 The very bottom of the page --	P013.187
276:13 - 276:20	<b>Hartle, Nathan 07-31-2018 (00:00:17)</b> 276:13 Q. It says, "HDMA's members have 276:14 not only statutory and regulatory 276:15 responsibilities to detect and prevent 276:16 diversion of controlled prescription drugs, 276:17 but undertake such efforts as responsible 276:18 members of society." 276:19 Do you see that? 276:20 A. I do.	P013.188
277:08 - 277:13	<b>Hartle, Nathan 07-31-2018 (00:00:16)</b> 277:8 Q. Do you recognize this as an 277:9 acknowledgement that all of the distributors 277:10 in the country have a common law duty to the 277:11 American citizens to prevent controlled 277:12 substances from being diverted into the 277:13 illicit market?	P013.189
277:18 - 278:02	<b>Hartle, Nathan 07-31-2018 (00:00:14)</b> 277:18 Q. I mean, isn't this what we 277:19 talked about earlier? 277:20 A. I do. 277:21 Q. You do, don't you? Yes? 277:22 A. Yes. 277:23 Q. Because it's not just 277:24 statutory, regulatory. You're engaged in 277:25 selling opium pills. You owe a duty to the	P013.190

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
278:06 - 278:10	<p>278:1 American people to do your very best to 278:2 prevent diversion.</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:07)</b></p> <p>278:6 Q. Agreed? 278:7 A. Agreed. 278:8 Q. And this is your trade 278:9 organization making the same representation 278:10 to a federal court in Washington, DC?</p>	P013.191
278:13 - 278:20	<p><b>Hartle, Nathan 07-31-2018 (00:00:19)</b></p> <p>278:13 THE WITNESS: Yes. 278:14 QUESTIONS BY MR. FARRELL: 278:15 Q. Next sentence: "The public 278:16 health dangers associated with the diversion 278:17 and abuse of controlled prescription drugs 278:18 have been well-recognized over the years by 278:19 Congress, DEA, HDMA and its members, and 278:20 public health authorities."</p>	P013.192
278:24 - 278:24	<p><b>Hartle, Nathan 07-31-2018 (00:00:01)</b></p> <p>278:24 THE WITNESS: Yes.</p>	P013.193
280:07 - 280:12	<p><b>Hartle, Nathan 07-31-2018 (00:00:19)</b></p> <p>280:7 Q. Page 7. "The societal costs of 280:8 prescription drug abuse are" -- what's it 280:9 say? 280:10 A. I flipped to the wrong page. 280:11 Excuse me. 280:12 "Huge."</p>	P013.194
280:21 - 280:24	<p><b>Hartle, Nathan 07-31-2018 (00:00:11)</b></p> <p>280:21 Q. If a wholesale distributor 280:22 engages in unlawful conduct, should it be 280:23 held accountable for the societal costs of 280:24 prescription drug abuse?</p>	P013.195
281:02 - 281:04	<p><b>Hartle, Nathan 07-31-2018 (00:00:05)</b></p> <p>281:2 THE WITNESS: I believe 281:3 distributors have a responsibility in 281:4 preventing diversion.</p>	P013.196
285:06 - 285:15	<p><b>Hartle, Nathan 07-31-2018 (00:00:35)</b></p> <p>285:6 Q. Well, back to McKesson 285:7 Corporation, which is you sitting in the 285:8 chair today. Knowing what you know as the 285:9 30(b)(6) representative, the corporate</p>	P013.197

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
285:10 - 285:22	<p>285:10 designee, knowing about your past conduct,  285:11 knowing about the past interactions with the  285:12 DEA, I'm going to ask you again: Does  285:13 McKesson Corporation accept partial  285:14 responsibility for the societal costs of  285:15 prescription drug abuse in America?  <b>Hartle, Nathan 07-31-2018 (00:00:15)</b></p>	P013.198
285:24 - 286:12	<p>285:17 THE WITNESS: Again, you know,  285:18 I -- we're part of the closed system,  285:19 so we're responsible for preventing  285:20 diversion.  285:21 QUESTIONS BY MR. FARRELL:  285:22 Q. So the answer is?  <b>Hartle, Nathan 07-31-2018 (00:00:28)</b></p> <p>285:24 THE WITNESS: Again, I think  285:25 we're responsible for something. I  286:1 don't know what -- how you define all  286:2 societal costs and -- I still believe  286:3 it depends on different circumstances.  286:4 QUESTIONS BY MR. FARRELL:  286:5 Q. Sir, we're not going to parse  286:6 out percentages.  286:7 A. Yeah.  286:8 Q. Let's just talk globally for  286:9 McKesson Corporation. So I don't want to put  286:10 words in your mouth because it's got to come  286:11 out of your mouth. So the answer is yes or  286:12 no.</p>	P013.255
286:14 - 286:15	<p><b>Hartle, Nathan 07-31-2018 (00:00:12)</b>  286:14 THE WITNESS: I would say yes,  286:15 partially.</p>	P013.199
287:21 - 287:24	<p><b>Hartle, Nathan 07-31-2018 (00:00:23)</b>  287:21 Q. Next exhibit I'm going to have  287:22 marked is Exhibit 29. It's Exhibit  287:23 2013_09_13. It's Bates stamp  287:24 MCK-AGMS-006000880.</p>	P013.200
287:25 - 288:20	<p><b>Hartle, Nathan 07-31-2018 (00:01:07)</b>  287:25 Have you seen this document?  288:1 A. I have not.  288:2 Q. Do you know who Gary Boggs is?</p>	P013.256



Page/Line	Source	ID
	288:3 A. I do know Gary.	
	288:4 Q. I'll represent to you that on	
	288:5 the metadata that was provided by the --	
	288:6 McKesson, indicates that this presentation is	
	288:7 dated in late 2012 -- wait, late 2013, I	
	288:8 think, probably before Gary Boggs came on to	
	288:9 McKesson. We'll ask him when we depose him.	
	288:10 But anyway, this is a McKesson	
	288:11 spreadsheet from Gary Boggs. Gary Boggs is	
	288:12 former DEA.	
	288:13 A. PowerPoint, not spreadsheet.	
	288:14 Q. Yeah, I'm sorry.	
	288:15 A. Okay.	
	288:16 Q. He's former DEA, correct?	
	288:17 A. Correct.	
	288:18 Q. He was the number 2 man on Joe	
	288:19 Rannazzisi, yes?	
	288:20 A. Yes.	
289:07 - 289:10	<b>Hartle, Nathan 07-31-2018 (00:00:12)</b>	P013.201
	289:7 Q. The title of this PowerPoint	
	289:8 slide is what?	
	289:9 A. Oh, "State of prescription drug	
	289:10 abuse."	
289:17 - 289:25	<b>Hartle, Nathan 07-31-2018 (00:00:30)</b>	P013.202
	289:17 Q. "Protecting America from	
	289:18 Prescription Drug Diversion."	
	289:19 The next page is a history of	
	289:20 understanding the problem, and on page 4 it	
	289:21 talks about a collision course.	
	289:22 And presumably this is two	
	289:23 planes colliding in the air, and that's	
	289:24 OxyContin and Percocet.	
	289:25 Do you see that?	
290:02 - 290:02	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.203
	290:2 THE WITNESS: I see that.	
290:04 - 290:09	<b>Hartle, Nathan 07-31-2018 (00:00:15)</b>	P013.204
	290:4 Q. "In the late 1990s, doctors	
	290:5 aggressively prescribing painkillers - a	
	290:6 radical change in health care behavior."	
	290:7 And that radical change in	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
290:11 - 290:17	<p>290:8 health care behavior did what to the number 290:9 of prescriptions?</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:12)</b></p> <p>290:11 THE WITNESS: Increased them. 290:12 QUESTIONS BY MR. FARRELL: 290:13 Q. Which resulted in an increase 290:14 or decrease in the number of pills McKesson 290:15 sold? 290:16 A. I don't know exact numbers, but 290:17 it increased.</p>	P013.257
293:07 - 293:10	<p><b>Hartle, Nathan 07-31-2018 (00:00:10)</b></p> <p>293:7 Q. Fair enough. 293:8 The next page, 5 and 6, 293:9 document Purdue Pharma's \$635 million fine, 293:10 Cephalon's \$425 million fine.</p>	P013.304
293:11 - 293:18	<p><b>Hartle, Nathan 07-31-2018 (00:00:19)</b></p> <p>293:11 Going to page 7, it's comparing 293:12 the US rates of opioid overdose deaths, sales 293:13 and treatment admissions. 293:14 Do you see that? 293:15 A. I see that. 293:16 Q. What is the correlation between 293:17 opioid sales and opioid deaths? Are they 293:18 related or unrelated?</p>	P013.206
293:20 - 293:21	<p><b>Hartle, Nathan 07-31-2018 (00:00:02)</b></p> <p>293:20 THE WITNESS: They're both 293:21 increasing at a similar rate.</p>	P013.207
293:23 - 293:24	<p><b>Hartle, Nathan 07-31-2018 (00:00:03)</b></p> <p>293:23 Q. So that means they're related 293:24 or unrelated?</p>	P013.208
294:01 - 294:02	<p><b>Hartle, Nathan 07-31-2018 (00:00:02)</b></p> <p>294:1 THE WITNESS: They appear to be 294:2 related.</p>	P013.209
294:11 - 294:12	<p><b>Hartle, Nathan 07-31-2018 (00:00:04)</b></p> <p>294:11 Q. Does McKesson believe that 294:12 opioid sales are related to opioid deaths?</p>	P013.210
294:15 - 294:17	<p><b>Hartle, Nathan 07-31-2018 (00:00:08)</b></p> <p>294:15 THE WITNESS: The volume of 294:16 opioids in the market and diversion is 294:17 related to opioid deaths, certainly.</p>	P013.211

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
294:19 - 295:10	<b>Hartle, Nathan 07-31-2018 (00:00:50)</b> 294:19 Q. Page 8, the Controlled 294:20 Substances Act, the very last provision says, 294:21 "Creates checks and balances between 294:22 registrants to protect the public health and 294:23 safety." 294:24 Again, this is again a 294:25 reaffirmation from Gary Boggs, who is now one 295:1 of your senior regulatory affairs management, 295:2 acknowledging that the registrants and the 295:3 DEA have a duty to protect the public health 295:4 and safety, agreed? 295:5 A. Agreed. 295:6 Q. Page 13. It says, "What can 295:7 happen when these checks and balances 295:8 collapse?" 295:9 What do you believe this is a 295:10 picture of?	P013.212
295:12 - 295:13	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b> 295:12 THE WITNESS: It's a building 295:13 falling down.	P013.213
295:15 - 295:21	<b>Hartle, Nathan 07-31-2018 (00:00:24)</b> 295:15 Q. A disaster? 295:16 A. It's a building that's falling 295:17 down. Why it fell down could be a disaster. 295:18 Q. What do you infer from 295:19 Mr. Boggs' implication? 295:20 A. That things can go wrong, 295:21 something can happen.	P013.214
296:13 - 296:22	<b>Hartle, Nathan 07-31-2018 (00:00:29)</b> 296:13 Q. Page 17, historical comparison. 296:14 He's comparing the opioid crisis to the BP 296:15 oil spill where 11 people were killed and BP 296:16 paid 40 billion, plus 16 billion to the Clean 296:17 Water Act. 296:18 Have more or less than 11 296:19 people been killed by the opioid crisis? 296:20 A. Clearly more. 296:21 Q. Have more people died today 296:22 than 11 people?	P013.215

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
296:24 - 296:25	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b> 296:24 THE WITNESS: Based on the 296:25 statistics, yes.	P013.216
297:02 - 297:05	<b>Hartle, Nathan 07-31-2018 (00:00:16)</b> 297:2 Q. Page 24. Does McKesson 297:3 acknowledge and agree there is a national 297:4 epidemic of prescription pill addiction, 297:5 abuse, morbidity and mortality?	P013.217
297:07 - 297:07	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b> 297:7 THE WITNESS: Absolutely.	P013.218
297:20 - 297:24	<b>Hartle, Nathan 07-31-2018 (00:00:19)</b> 297:20 Q. Page 37, "distributors have 297:21 great power." The last provision. 297:22 You, McKesson Corporation, 297:23 control the supply to downstream customers. 297:24 Does McKesson acknowledge that duty?	P013.219
298:01 - 298:05	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b> 298:1 THE WITNESS: We control what 298:2 we sell. 298:3 QUESTIONS BY MR. FARRELL: 298:4 Q. So yes? 298:5 A. Yes.	P013.220
298:18 - 298:22	<b>Hartle, Nathan 07-31-2018 (00:00:16)</b> 298:18 Q. Page 46, "Without sustained 298:19 sources of supply, major diversion schemes 298:20 wither away." 298:21 Who are the major sources of 298:22 supply?	P013.222
298:24 - 299:06	<b>Hartle, Nathan 07-31-2018 (00:00:14)</b> 298:24 THE WITNESS: Those in the 298:25 closed system of distribution: 299:1 manufacturers, distributors. There's 299:2 also sources, illicit sources, outside 299:3 of the closed network. 299:4 QUESTIONS BY MR. FARRELL: 299:5 Q. They all originate within the 299:6 closed network, do they not?	P013.223
299:08 - 299:17	<b>Hartle, Nathan 07-31-2018 (00:00:21)</b> 299:8 THE WITNESS: What do you mean 299:9 by "all originate"?	P013.225

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	299:10 QUESTIONS BY MR. FARRELL:	
	299:11 Q. Well, Bob, in his trailer in	
	299:12 southern West Virginia, isn't making	
	299:13 OxyContin pills.	
	299:14 A. No, I'm saying there's other --	
	299:15 I understand your point. They come	
	299:16 ultimately from the manufacturer,	
	299:17 distributor, pharmacy.	
299:21 - 299:25	<b>Hartle, Nathan 07-31-2018 (00:00:30)</b>	P013.226
	299:21 Q. Exhibit 30, 2013_10_23, Bates	
	299:22 stamp MCKMDL00409046. This is October 23,	
	299:23 2013.	
	299:24 McKesson is in trouble again	
	299:25 with the DEA, agreed?	
300:02 - 300:05	<b>Hartle, Nathan 07-31-2018 (00:00:05)</b>	P013.258
	300:2 THE WITNESS: There's	
	300:3 allegations.	
	300:4 QUESTIONS BY MR. FARRELL:	
	300:5 Q. Same ones as before, agreed?	
300:07 - 300:10	<b>Hartle, Nathan 07-31-2018 (00:00:05)</b>	P013.283
	300:7 THE WITNESS: Related to the	
	300:8 regulations.	
	300:9 QUESTIONS BY MR. FARRELL:	
	300:10 Q. Same as the 2008?	
300:12 - 300:13	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.284
	300:12 THE WITNESS: Around suspicious	
	300:13 orders.	
300:17 - 300:18	<b>Hartle, Nathan 07-31-2018 (00:00:14)</b>	P013.285
	300:17 Q. Exhibit 31, dated November 6,	
	300:18 2013. It's 2013_11_6, MCKMDL00409048.	
300:19 - 300:25	<b>Hartle, Nathan 07-31-2018 (00:00:14)</b>	P013.290
	300:19 It's again from the United	
	300:20 States Attorney in the Northern District of	
	300:21 West Virginia. It's talking about further	
	300:22 explanations.	
	300:23 You would agree with me this is	
	300:24 the same conduct that McKesson got in trouble	
	300:25 for in 2008?	
301:02 - 301:04	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b>	P013.227
	301:2 THE WITNESS: Yeah, it has to	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
301:3	do with suspicious orders, which is	
301:4	similar.	
302:09 - 303:01	<b>Hartle, Nathan 07-31-2018 (00:00:55)</b>	P013.228
302:9	Q. Exhibit 32, 2014_1_XX,	
302:10	MCKMDL00409050. In fact, they put a whole	
302:11	presentation together.	
302:12	Have you seen this	
302:13	presentation?	
302:14	A. I have seen this one.	
302:15	Q. I'm not going to go through	
302:16	this because we'll go through with it a lot	
302:17	more tomorrow.	
302:18	In essence, what I'm trying to	
302:19	accomplish here is that you understand that	
302:20	the United States District Attorney for the	
302:21	Northern District of Ohio, and then it turns	
302:22	out other ones, including Colorado, are	
302:23	basically telling McKesson: You have a	
302:24	systemic failure to monitor, detect and	
302:25	report suspicious orders.	
303:1	Is that what they're alleging?	
303:03 - 303:04	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.230
303:3	THE WITNESS: Yes, that's what	
303:4	they're alleging.	
305:17 - 305:24	<b>Hartle, Nathan 07-31-2018 (00:00:13)</b>	P013.232
305:17	Q. Now, skipping through all of	
305:18	the other correspondence because we'll get	
305:19	into that more tomorrow, more recently, as a	
305:20	result of all of this, even though McKesson	
305:21	is denying liability, you understand that	
305:22	McKesson did enter into another settlement	
305:23	agreement?	
305:24	A. I understand that.	
306:03 - 306:18	<b>Hartle, Nathan 07-31-2018 (00:01:18)</b>	P013.233
306:3	Q. 2017_01_05A, 35, Exhibit 35,	
306:4	MCKMDL00355322, the settlement agreement and	
306:5	release.	
306:6	Exhibit 37, 2017_01_5B,	
306:7	MCKMDL00355477.	
306:8	MS. HENN: Did you skip 36?	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	306:9 QUESTIONS BY MR. FARRELL:	
	306:10 Q. I didn't.	
	306:11 36 will be 2017_01_05B, the	
	306:12 compliance addendum.	
	306:13 MS. HENN: 37.	
	306:14 MR. FARRELL: Oh, okay, I'm	
	306:15 sorry. But it's okay because we'll	
	306:16 just put 36 as the administrative	
	306:17 memorandum, which is 2017_01_5C,	
	306:18 MCKMDL0355513.	
307:12 - 307:17	<b>Hartle, Nathan 07-31-2018 (00:00:17)</b>	P013.234
	307:12 Q. McKesson's distribution	
	307:13 facilities were systematically failing to	
	307:14 report suspicious orders and resulted in a	
	307:15 \$150 million fine assessed by the DEA and	
	307:16 paid by McKesson Corporation; true or not	
	307:17 true?	
307:19 - 307:20	<b>Hartle, Nathan 07-31-2018 (00:00:02)</b>	P013.235
	307:19 THE WITNESS: We did pay that	
	307:20 fine, \$150 million.	
307:22 - 307:23	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b>	P013.236
	307:22 Q. Because you were systematically	
	307:23 not reporting suspicious orders?	
307:25 - 308:01	<b>Hartle, Nathan 07-31-2018 (00:00:01)</b>	P013.237
	307:25 THE WITNESS: That was at the	
	308:1 core of it.	
308:15 - 308:16	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b>	P013.239
	308:15 McKesson wasn't following the	
	308:16 law and got fined \$150 million?	
308:18 - 308:22	<b>Hartle, Nathan 07-31-2018 (00:00:06)</b>	P013.240
	308:18 THE WITNESS: We acknowledged	
	308:19 that certain orders did not get	
	308:20 flagged in our system.	
	308:21 QUESTIONS BY MR. FARRELL:	
	308:22 Q. Thousands.	
308:25 - 309:03	<b>Hartle, Nathan 07-31-2018 (00:00:05)</b>	P013.242
	308:25 Q. Thousands of orders?	
	309:1 A. Orders.	
	309:2 Q. Like some facilities reported	
	309:3 none.	

## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
309:06 - 309:07	<b>Hartle, Nathan 07-31-2018 (00:00:04)</b> 309:6 Q. Yes? 309:7 A. Systematically none.	P013.244
320:14 - 320:17	<b>Hartle, Nathan 07-31-2018 (00:00:14)</b> 320:14 Q. As the McKesson corporate 320:15 representative, do you acknowledge that abuse 320:16 of prescription opium pills is a gateway to 320:17 the initiation of heroin?	P013.245
320:20 - 321:06	<b>Hartle, Nathan 07-31-2018 (00:00:25)</b> 320:20 THE WITNESS: Based on 320:21 everything that I've read and in the 320:22 media and statistics and discussion, I 320:23 would agree -- agree to that. 320:24 QUESTIONS BY MR. FARRELL: 320:25 Q. If you abuse prescription 321:1 opiates, the CDC says that you're 40 times 321:2 more likely to initiate heroin use. 321:3 Does McKesson acknowledge 321:4 that -- that prescription opiate pill abuse 321:5 is a driving factor in the heroin epidemic 321:6 we're also experiencing?	P013.246
321:09 - 321:10	<b>Hartle, Nathan 07-31-2018 (00:00:05)</b> 321:9 THE WITNESS: Yeah, it's a 321:10 factor.	P013.247
327:05 - 327:12	<b>Hartle, Nathan 07-31-2018 (00:00:24)</b> 327:5 Q. And so in 2008, McKesson 327:6 Corporation paid \$13 million, and in 2017, 327:7 McKesson paid \$150 million. 327:8 What would happen in today's 327:9 world if McKesson went to the DEA and said, 327:10 "We don't have a duty to investigate and halt 327:11 suspicious orders"? What do you reckon would 327:12 happen then?	P013.248
327:15 - 327:17	<b>Hartle, Nathan 07-31-2018 (00:00:03)</b> 327:15 THE WITNESS: I'm not sure 327:16 exactly what would happen, but they 327:17 wouldn't be thrilled.	P013.249
364:19 - 364:22	<b>Hartle, Nathan 07-31-2018 (00:00:08)</b> 364:19 Do you agree that one of the 364:20 foreseeable harms of engaging in unlawful	P013.250



## P013-Hartle, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
364:24 - 364:25	<p>364:21 conduct in the distribution of prescription 364:22 opioids is diversion?</p> <p><b>Hartle, Nathan 07-31-2018 (00:00:02)</b></p> <p>364:24 THE WITNESS: I think it can 364:25 be.</p>	P013.251
365:22 - 365:24	<p><b>Hartle, Nathan 07-31-2018 (00:00:05)</b></p> <p>365:22 Q. Do you believe the prescription 365:23 opiate epidemic is an immediate hazard to 365:24 public health and safety?</p>	P013.252
366:01 - 366:06	<p><b>Hartle, Nathan 07-31-2018 (00:00:07)</b></p> <p>366:1 THE WITNESS: How do you -- how 366:2 are you defining "immediate hazard"? 366:3 QUESTIONS BY MR. FARRELL: 366:4 Q. A hazard. 366:5 A. A hazard? 366:6 Sure.</p>	P013.253

Plaintiff Affirmatives = 01:03:31

Defense Completeness Counters = 00:03:16

**Total Time = 01:06:46**